

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS**

**Eightieth Session  
May 23, 2019**

The Committee on Legislative Operations and Elections was called to order by Chair Sandra Jauregui at 6:08 p.m. on Thursday, May 23, 2019, in Room 3142 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/80th2019](http://www.leg.state.nv.us/App/NELIS/REL/80th2019).

**COMMITTEE MEMBERS PRESENT:**

Assemblywoman Sandra Jauregui, Chair  
Assemblyman Ozzie Fumo, Vice Chair  
Assemblyman Skip Daly  
Assemblyman William McCurdy II  
Assemblywoman Brittney Miller  
Assemblywoman Selena Torres

**COMMITTEE MEMBERS ABSENT:**

Assemblyman John Hambrick (excused)  
Assemblyman Glen Leavitt (excused)  
Assemblywoman Daniele Monroe-Moreno (excused)  
Assemblyman Tom Roberts (excused)

**GUEST LEGISLATORS PRESENT:**

Senator Pat Spearman, Senate District No. 1

**STAFF MEMBERS PRESENT:**

Carol Stonefield, Committee Policy Analyst  
Catherine Bodenstein, Committee Secretary  
Melissa Loomis, Committee Assistant



**OTHERS PRESENT:**

Angela Dykema, representing Southwest Energy Efficiency Project  
Nick Vander Poel, representing Reno Sparks Chamber of Commerce  
Andy MacKay, Executive Director, Nevada Franchised Auto Dealers Association  
Jeanette K. Belz, representing Nevada Chapter, Associated General Contractors of America  
Helen Foley, representing Transportation Resource Advisory Committee  
Jessica Ferrato, representing Advanced Energy Economy  
Christi Cabrera, representing Nevada Conservation League  
Will Pregman, Community Organizer, Battle Born Progress; and representing Chispa Nevada; and RenewNV  
Christopher Sewell, Chief of Operations, Legislative Liaison, Department of Employment, Training and Rehabilitation  
Tiffany G. Tyler-Garner, Director, Department of Employment, Training and Rehabilitation  
Erik Jimenez, Chairman, Access Advisory Committee, City of Reno; and Member, Legislative Committee, Nevada Governor's Council on Developmental Disabilities

**Chair Jauregui:**

[Roll was called.] Welcome, everyone, to the Assembly Committee on Legislative Operations and Elections. We have two items on our agenda today. Before we begin, I will remind everyone to silence anything that makes noise. We are going to get started and roll right into our first bill hearing. We will open it up on Senate Concurrent Resolution 3 (1st Reprint).

**Senate Concurrent Resolution 3 (1st Reprint): Directs the Legislative Committee on Energy to conduct an interim study to consider alternative solutions for transportation system funding in Nevada. (BDR R-779)**

**Senator Pat Spearman, Senate District No. 1:**

Thank you, Madam Chair. I am here to present Senate Concurrent Resolution 3 (1st Reprint) which directs the Legislative Committee on Energy to conduct a study to consider alternative solutions for transportation system funding in Nevada.

Madam Chair, with your indulgence, I would like to read a passage. Some of you may know that I spent about four years doing research in global energy policy and a portion of my research dissertation is published in a book. I think this is apropos to what we are talking about today.

Recognizing the inherent tension between energy supply and energy demand is an imperative for policy makers and consumers. A need exists to transition to RE [renewable energy] resources and develop energy efficiency

policies . . . . Civilian and military collaboration provides an opportunity to mitigate unintended consequences resulting from the tension between policies designed to regulate energy supply and policies to reduce energy demand.

I can present this to your secretary so she can get the information for the record, and it is okay to print it; I am the author.

Regarding the purpose of Senate Concurrent Resolution 3 (1st Reprint), gasoline- and diesel-fueled vehicles provide the majority of the revenue required to maintain and operate our transportation network. This happens through federal, state, and local taxes on gasoline and diesel fuels. Over the years, the revenue to pay for the roads has decreased throughout the country, and Nevada has not been spared.

As a body, we must take the time to study in-depth our funding needs for maintaining public roads and highways. The state of our transportation infrastructure is a vital component in creating new jobs. In 2012, the United States Bureau of Economic Analysis concluded that 65 percent of direct job creation from transportation investment occurred in the construction industry, 10 percent in manufacturing and other related industries, and 6 percent in retail, professional, and business services. Per \$1 billion spent on infrastructure, an estimated 42,000 jobs are directly or indirectly created or induced.

In addition, more and more motorists are switching to electric vehicles (EVs) because of their favorable economics and their reduced emissions. This will have a major impact on how we fund our future transportation projects. While EVs provide a host of air quality and economic development benefits, they do not pay any gas tax. This has prompted a nationwide question for policymakers on how EV owners should pay for use of the roads if they are not contributing via the gas tax.

Electric vehicles have potential for reduced operating costs, fuel savings, improved national security, and environmental benefits. J.P. Morgan estimates that EVs will account for an estimated 30 percent of all vehicle sales by 2025. I would also add that globally, it will probably be a lot more than that as China has issued statements that they will be moving from internal combustion engines to nothing but electric or other hybrid vehicles by 2025, so that number could grow exponentially.

Comparatively, in 2016 just under 1 million vehicles, or 1 percent of global auto sales, came from plug-in EVs. In Nevada, the use of EVs continues to increase. There are more EVs on our roads and highways than ever before. Electric vehicles, including hybrid electric vehicles, such as the Toyota Prius; plug-in hybrid electric vehicles, such as the Chevrolet Volt; and all-electric vehicles, such as Tesla.

In the very near future, hydrogen fuel cells and EVs will be included in the hybrid equation ([Exhibit C](#)). Toyota, Mercedes, Volvo, Chevrolet, and most other automobile manufacturers are right now producing hydrogen fuel cell cars. That will be hydrogen fuel cells coupled with electric vehicles. Hydrogen fuel cell cars were introduced in 2014 by Toyota, and it has

made major inroads in the industry since then. In some parts of the country, you can lease a 2019 Toyota Mirai—that is Toyota's hybrid hydrogen fuel cell vehicle. You can lease that vehicle for \$399 per month with other variables being equal.

The National Renewable Energy Laboratory (NREL) ([Exhibit D](#)) is collaborating with the U.S. Department of Energy, eight other national laboratories, and the industry on the Co-Optimization of Fuels and Engines (Co-Optima) initiative. This first-of-its-kind effort is focused on combining biofuels and combustion research and development building on decades of advancements in both fuels and engines. The Co-Optima goal is to simultaneously transform both transportation fuels and vehicles to maximize performance and energy efficiency, minimize environmental impact, and accelerate widespread adoption.

This Committee will also have access to information and assistance from the U.S. Department of Energy's Energy Efficient Mobility Systems (EEMS). I would like to introduce this because sometimes people think that if you are asking one of the interim committees to do a study, they will be overburdened by what the study requires. But a lot of what we need to do in this study we can accomplish by partnering with organizations that are already doing much of the same; NREL is already doing some of these. The EEMS program focuses on developing transportation systems that are affordable, efficient, safe, and accessible for future needs in which mobility is decoupled from energy consumption. The EEMS program is conducting early-stage research and development at the vehicle, traveler, and system levels to create new knowledge, insights, tools, and technology solutions that increase mobility, energy, and productivity for individuals and businesses.

Madam Chair and members of the Committee, I am sure you all agree that this is a complicated issue and we need information from empirical data to develop sound policies for current and future needs. Electric vehicle owners should pay a fair share of the wear and tear for using our roads, but they should not be punished for driving an energy-efficient vehicle. States around the country have created committees and conducted studies to identify strategies to fund roads based on the increasing numbers of new fuel-efficient vehicles. Many of these states have implemented pilot programs, such as a voluntary road user fee that they adopted in Oregon and, in Colorado, a mileage-based road user fee. We can learn from this information and use it to ensure that owners of all vehicles equitably contribute to the cost to maintain our transportation infrastructure. In addition, we also need to address the transportation funding shortfall by exploring gas tax alternatives for all transportation users.

This resolution provides an opportunity for legislators, stakeholders, and citizens to study in-depth, over the interim period, the funding needs for our transportation system and methods to ensure that owners of all vehicles are contributing to the cost of maintaining the roads and highways.

Here are some of the duties of the interim study. The resolution requires the Energy Committee to examine:

1. The benefits of the use of EVs and the costs of transportation-related pollution, including greenhouse gas emissions, in Nevada;
2. Nevada's funding needs for maintaining public roads and highways;
3. Methods to ensure that owners of all vehicles in the state equitably contribute to the cost to maintain public roads and highways while maximizing social benefits and minimizing social costs; and
4. Any other matters that are deemed relevant to the funding of our transportation system here in Nevada.

The aforementioned areas of study seem daunting, but as I said before, we can always partner with and collaborate with the ongoing research at the National Renewable Energy Laboratory and access the research and development results already underway at their laboratory. They have the expertise in the implementation of advanced transportation projects encompassing alternative fuels, mobility systems, electric vehicles, fleet operations, and transportation efficiency. I am sure that we could go on and on and on, but the pressing issue for us right now is, how do we develop a transportation and infrastructure policy that will provide for the needs today and be flexible enough to provide for the needs of the future?

I mentioned hydrogen fuel cells. I had an opportunity to drive that while I was a student at the executive program there at NREL. You cannot hear them, but they take off like a jet. One of the things about hydrogen fuel cells is that it is the only energy source that we burn that has no emissions. The only thing it emits is water. That is on the way. Toyota started its Mirai program in southern Nevada. They were in Long Beach, California, for a couple of years, then they moved to the East Coast, and now they are moving to the middle of the country. So that tells us that the hydrogen fuel cell hybrids are on the way. We are still talking about EVs.

What I hope this study will do is help us to focus, not just on technology that exists, but on technology that is emerging. With that technology, we need to also be looking at what types of jobs; what types of training; and how we make sure that our schools, our K-12 schools, our institutions of higher learning are preparing our students and our citizens for the jobs of the future. Because it is not just the jobs in transportation, but it is also those ancillary jobs that will come into fruition once that happens. Madam Chair and members of the Committee, that ends my presentation.

**Angela Dykema, representing Southwest Energy Efficiency Project:**

The Southwest Energy Efficiency Project is a nonprofit organization working to promote clean transportation and energy efficiency across the Intermountain West states. First, we

would like to thank Senator Spearman for sponsoring S.C.R. 3 (R1) and for providing us the opportunity to work with her on the amended version that was adopted in the Senate. We are very supportive of this legislation, and we urge the Committee to support it as well.

Senate Concurrent Resolution 3 (1st Reprint) as amended directs the Legislative Committee on Energy, as Senator Spearman mentioned, to conduct the interim study on electric vehicles and alternative solutions for transportation funding rather than directing the Legislative Commission to appoint a committee as originally written.

The amended version also directs the focus of the study around the bigger-picture issue with the electrification of our transportation system, which is not solely the impacts to road maintenance due to the decreased fuel tax revenue from electric vehicles, but it is actually a bigger-picture issue that required new approaches to reach a comprehensive solution to the highway funding issue as a whole. As the technology advances and we continue to see greater fuel efficiencies across all vehicle types, we realize that the decreased fuel tax revenue is a bigger issue that all vehicles contribute to and not just electric vehicles, which currently comprise less than 1 percent of the vehicles on Nevada roads today. So the amended language addresses this by specifically calling for new ways to determine the actual funding needs and to adequately fund our transportation system as a whole in an equitable way that does not unfairly target electric vehicles or discourage the growth of the industry.

Further, in addition to studying a comprehensive solution to transportation system funding, S.C.R. 3 (R1) as amended ensures that not only the benefits of the use of electric vehicles are included, but also the costs of transportation-related pollution, and it also provides an opportunity to assess the economic opportunities that electric vehicles will provide while maximizing social benefits and minimizing costs. As we have noted in testimony in other bills, the transportation sector is the largest emitter of greenhouse gases in Nevada and therefore the acceleration of electric vehicles is key to preserving our climate and protecting Nevadans from unhealthy air pollution.

Lastly, I want to point out another piece of legislation, Assembly Bill 483, which is currently stuck in the Assembly Committee on Ways and Means. We hope it will make its way out at some point soon. If passed, it will be complementary to the study called for in S.C.R. 3 (R1). Assembly Bill 483 establishes a pilot program to gather data on things such as vehicle miles traveled, vehicle weight, type, and fuel system which can serve as critical information that the Legislative Committee on Energy can use in its analysis here in S.C.R. 3 (R1).

All of the electric vehicle-related bills that we have seen this session are really a comprehensive package that shows Nevada is thinking about a solution to the transportation funding issue. As Senator Spearman noted, and we are seeing other states start to adopt registration fees, this shows that we are acting wisely to get ahead of the issue by conducting the necessary studies first, so that any policy decisions will be informed by real information on a scientific basis.

**Chair Jauregui:**

Committee members, do you have any questions? Seeing none, we will open it up to testimony in support. I will remind everyone, due to the late evening and another bill after this one, to keep the comments as brief as possible.

**Nick Vander Poel, representing Reno Sparks Chamber of Commerce:**

The Reno Sparks Chamber of Commerce supports Senate Concurrent Resolution 3 (1st Reprint) as a sensible way to address our state's long-term infrastructure needs and encourage an emerging industry key to a strong and diversified economy ([Exhibit E](#)). Electric vehicles will not only serve to enhance Nevada's reputation as a hub for innovative technology, but will also help consumers take advantage of lower costs and workforce opportunities. We cannot accelerate the growth of this important industry and economic sector without studying how these electric vehicles are used and how they will contribute to our infrastructure. The Reno Sparks Chamber of Commerce supports the goals of this interim study and urges the Committee to pass S.C.R. 3 (R1).

**Andy MacKay, Executive Director, Nevada Franchised Auto Dealers Association:**

We are in full support of the bill. I want to thank Senator Spearman for reaching out to us approximately a year ago to become part of this. The fact of the matter is that it takes efforts like this to evaluate the impact not only for electric vehicles, but as Senator Spearman indicated, hydrogen electric—even the fact that vehicles today are much more fuel efficient and that is resulting in a declining revenue source for our State Highway Fund. As the folks who sell these vehicles, we truly believe that good roads result in good quality of life. We are fully supportive of the bill and appreciate her for bringing it forward.

**Jeanette K. Belz, representing Nevada Chapter, Associated General Contractors of America:**

We have been working on this issue for a decade. We are really in support of taking a look at this differently. We are stuck in this situation right now because we tax the fuel that people use rather than the miles that they drive. The one thing that is common to all vehicles, no matter what kind of fuel they use, is the fact that their wheels go around and they rack up miles. The sooner we can get to a system like that, it becomes transparent as to what kind of fuel is being used in the vehicle. Senator Spearman mentioned hydrogen. It could be anything. It is limitless as to what we might come up with. We might start strapping solar panels to the top of our vehicles. You just do not know. As Ms. Dykema said, I think one thing that will not unfairly target any would be to base the system on miles.

We had a bill that we worked very hard on. Unfortunately, it did not make it out of first committee. That was Assembly Bill 401, a low-cost, low-technology, vehicle-miles-traveled system. We are very excited about presenting that at one of these meetings. I agree with Ms. Dykema about Assembly Bill 483. That bill would be of assistance, not critical, but certainly of assistance to this effort.

Lastly, I do not know whether the Legislative Committee on Energy has bill draft requests, but I would strongly encourage that a bill draft go along with this study. Five bill drafts? One of them could go along with this study.

**Helen Foley, representing Transportation Resource Advisory Committee:**

During the rest of the year, one of my jobs is serving as the manager of TRAC, which is Transportation Resource Advisory Committee in southern Nevada that works very closely with the Regional Transportation Commission of Southern Nevada. It is made up of an ungodly 38 members; however, everyone comes. We learn a lot about transportation, what is happening nationwide and worldwide in the area of transportation. One of the biggest problems we have talked about is how to adequately fund our roads. With the changes in emerging technologies, it is certainly time for this study. We would very much support it.

**Jessica Ferrato, representing Advanced Energy Economy:**

Advanced Energy Economy is an organization of businesses using policy advocacy to bring economies based on secure, clean, and affordable energy to the states. Our member companies include large companies like Oracle Corporation, Apple, Inc., and other small companies as well. We are here in support of this bill and think it is a responsible way to plan for transportation needs in the future. We need to be able to balance vehicles that are currently on the road, as well as future technologies that are to come. We think looking at this in a longer term study and then deciding what the state wants to do moving forward is a responsible way to do so.

**Christi Cabrera, representing Nevada Conservation League:**

The Nevada Conservation League is in support of S.C.R. 3 (R1). Pollution from transportation is the No. 1 source of greenhouse gas emissions in Nevada, and our health, economy, and environment all suffer as a result. Internal combustion vehicles emit large amounts of nitrogen oxide and particulate pollution. These pollutants can lead to or worsen asthma, lung disease, and other respiratory illnesses. Studies have linked air pollution to adverse effects on nearly every organ system in the body. Additionally, researchers estimate that nationwide tens of thousands of people die prematurely each year as a result of particulate pollution.

This problem will continue to grow unless we pave the way for adoption of low-emission and electric vehicles that are already saving consumers money and reducing health and environmental impacts. This bill will help us move toward the electrification of our transportation sector while taking a comprehensive approach to how our roads are funded. We strongly urge your support.

**Will Pregman, Community Organizer, Battle Born Progress; and representing Chispa Nevada; and RenewNV:**

I am representing Battle Born Progress, Chispa Nevada which could not be here today, and also the RenewNV coalition. We are in support of S.C.R. 3 (R1). This study is an important first step toward rethinking our infrastructure funding in a way that also supports the development and deployment of electric vehicles, which will result in improved air quality



and healthier communities. We urge your support of S.C.R. 3 (R1). Thank you very much for considering this bill, and thank you to Senator Spearman for sponsoring it and bringing this forward.

**Chair Jauregui:**

Is there anyone else in support? [There was no one.] Is there anyone in opposition? [There was no one.] Is there anybody in neutral? [There was no one.] Senator Spearman, would you like to give any closing remarks?

**Senator Spearman:**

I think that it is apropos that two floors down, one of my other colleagues is discussing a bill [Senate Bill 547] to rectify a situation on *Nevada Revised Statutes* Chapter 704B. *Nevada Revised Statutes* Chapter 704B came into existence to allow people to leave the electrical grid and pay a transfer cost. It was instituted in 1999, and what happened was that the Legislature never went back to see if the reasons for which it was developed were still valid. It really was not until 2015 when we saw some of the larger commercial customers applying to leave the grid. Several of them have and there have been some businesses that have left the grid even before they come here.

The point that I am making is that as these things change, as transportation, energy, and all these other things change, I believe that it is incumbent upon the Legislature to get out in front of the trends and not try to follow them. You may have noticed that in many residential areas where the population is between the 20- and 45-year-olds, many of them have stopped building garages. They have stopped building garages because more and more people are taking mass transportation. You may have also noticed that not just with the vehicle miles traveled, but you will notice a number of states around us—California, Oregon, Washington—they are toying with some hybrid models of this and what this looks like. I do not want us to be left behind. I hope you all will consider this bill favorably.

There is another bill that is making its way—I believe it is in this body—Senate Bill 488 which creates an emerging technology task force. I am hoping that will make it through and get back to us in the affirmative. These two bills actually work together, along with a couple of others, to make sure that Nevada is really on the cutting edge of all of this because technology is changing in a nanosecond, at the blink of an eye. We have changed a lot of things. It was only 2007 when Sprint introduced the Primary Rate Interface, which was the phone system where you could type something in your computer and it would show up on your phone. You could do that vice versa. I was so excited to see that. When I found it, I played with it for about an hour just putting stuff in my computer and seeing how quickly it would transfer to my phone. Technology is advancing, and I hope that we will too.

[Not discussed during the hearing for Senate Concurrent Resolution 3 (1st Reprint) were letters in support ([Exhibit F](#)) and ([Exhibit G](#)).]

**Chair Jauregui:**

Members, because we are short on time, is there interest in holding a work session for this bill? I would like to start by closing the bill hearing on S.C.R. 3 (R1) and then moving into a work session. Do I have a first to adopt Senate Concurrent Resolution 3 (1st Reprint)?

ASSEMBLYMAN McCURDY MADE A MOTION TO ADOPT  
SENATE CONCURRENT RESOLUTION 3 (FIRST REPRINT).

ASSEMBLYMAN FUMO SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

THE MOTION WAS ADOPTED. (ASSEMBLYMEN HAMBRICK,  
LEAVITT, MONROE-MORENO, AND ROBERTS WERE ABSENT FOR  
THE VOTE.)

I will assign the floor statement to Assemblyman McCurdy. Next, I will open the hearing on Senate Bill 50 (1st Reprint). Members, we are handing out copies because this was issued a waiver. You probably were not able to get it from the Legislative Counsel Bureau's Publications Office, so we are handing out copies of S.B. 50 (R1) for you right now.

**Senate Bill 50 (1st Reprint): Revises provisions governing the temporary limited appointment of persons with disabilities by state agencies. (BDR 23-230)**

**Christopher Sewell, Chief of Operations, Legislative Liaison, Department of Employment, Training and Rehabilitation:**

I know the hour is late, and I know it is getting down to 11 days, 8 hours, or something along those lines. We will try to make this quick and answer all the questions you have. I am here concerning Senate Bill 50 (1st Reprint). It concerns the 700-hour program ([Exhibit H](#)) through our Rehabilitation Division in the Department of Employment, Training and Rehabilitation (DETR). The Bureau of Services to Persons Who Are Blind or Visually Impaired and Bureau of Vocational Rehabilitation certify individuals with disabilities for qualification on state job recruitments through the 700-hour program. Individuals with disabilities on the 700-hour recruitment lists are equally qualified for the positions for which they are competing. Some of those individuals require reasonable accommodations to do so. This is consistent with the requirements within the Americans with Disabilities Act (ADA) and the Americans with Disabilities Act Amendments Act. As these are Vocational Rehabilitation clients, both bureaus can assist with those accommodations and any other preparations needed for the job. Also, the nature of this program is to allow agencies to make temporary appointments of up to 700 hours from these recruitment lists to allow the individuals to learn the job on the job with Vocational Rehabilitation support if needed.

A little background: In the 2017 Session, Assembly Bill 192 of the 79th Session became law. Assembly Bill 192 of the 79th Session made utilization of the 700-hour list a requirement for agencies as a first step in the recruitment process. However, the intent of

A.B. 192 of the 79th Session was for agencies to interview and consider candidates on the 700-hour lists for appointment, whenever possible, prior to seeking other recruitment options. Instead, the Office of the Attorney General has interpreted A.B. 192 of the 79th Session to require agencies to make the appointments off the 700-hour lists.

As a representative of Nevada's Vocational Rehabilitation program, we believe in this program. The job of DETR as a whole is to get people employed. We believe in that philosophy. We vet the candidates on these very lists very carefully. However, it was never the intent to force a state agency to hire from the 700-hour list. We believe that the hiring authority should always select the best candidate for the job and the best fit—a candidate with the skills, experience, and traits they feel best meets their needs. In other words, it is a two-way street. This housekeeping bill corrects that unintended consequence. It still requires the departments and the hiring authorities to obtain the 700-hour list as the first step in the recruitment process and properly consider and vet those candidates on the list. However, the change in S.B. 50 (R1) is from "shall" make an appointment to "may" make an appointment from these 700-hour lists. That is the first issue in S.B. 50 (R1) on the cleanup language.

Additionally, in section 1, subsection 3, paragraph (b), we have added "reasonable" to accommodation to match language with the Americans with Disabilities Act that requires reasonable accommodations for people with disabilities in the workplace, if needed. Lastly, under section 1, we are requesting to remove language that was unnecessary and unclear. The term "benefit" is not defined by law and was thusly liberally applied. This section of language and the use of the term "benefit" eliminated the ability for certain agencies to hire from the 700-hour list, including Vocational Rehabilitation in DETR and the Division of Welfare and Supportive Services in the Department of Health and Human Services, the two major divisions that are very, very incorporated to hire these individuals, and because of that term "benefit," they could not. That hurt some of the programs. This was another unintended consequence and we feel is unnecessary when there remains language in the law that already allows the appointing authorities the latitude if they determined the use of the 700-hour lists "would create an actual or potential conflict of interest." The original language actually took care of that. That protection already exists in law and it does not require further limitations imposed by the word "benefit."

The 700-hour program helps pair agencies with skilled, qualified, and dependable employees while increasing the diversity within our state agencies. State employment should reflect the diversity that exists in the community. National studies show that people with disabilities make excellent employees. A Walgreens study of its workforce found individuals with disabilities had higher employment retention ratings and were equal or better in performance, attendance, and safety than their nondisabled peers. The 700-hour program provides opportunities for individuals with disabilities for employment, which adds to agencies' talent pool of individuals with distinct and marketable skills. Employees with disabilities bring unique experiences and understanding to the workplace that enhance products and services.

The changes proposed in S.B. 50 (R1) are simply to correct unintended consequences of the changes in law with passage of A.B. 192 of the 79th Session, and to ensure it is enacted as originally intended ([Exhibit I](#)). I would also, from here, like to go down to Las Vegas, with the Chair's permission, to have our director add comments.

**Tiffany G. Tyler-Garner, Director, Department of Employment, Training and Rehabilitation:**

I want to note or affirm our commitment to ensuring opportunities for all Nevadans, including individuals with special needs, as well as ensuring that individuals have the benefit that results from career pathways. With that said, we want to thank you for your consideration of this bill and say that this is to ensure the sustainability and success of this program. You will note that the three conceptual changes that we are requesting are to:

1. Align the language in this policy with federal policy, particularly the Americans with Disabilities Act as we ask to use the word "reasonable";
2. Where we have stated "shall," we will continue the process of ensuring folks will review the 700-hour lists, but that we also allow for an assessment of the fit needed to ensure that folks are encouraged to continue to hire from the lists; and
3. Beyond that, you will note the request to strike "benefit" because we believe that protection is already there. We have determined that as a result of the ways that it is currently being interpreted, there are organizations that routinely partner with us to provide opportunities for any number of special populations that we serve and the framing of this language has precluded individuals, such as ourselves, who would be best positioned in some instances to support an individual with special needs in the workforce by having them serve at our agency and other entities such as the Department of Health and Human Services.

With your consideration, we hope that we will continue what has been really good policy and refine it to ensure its sustainability and success by encouraging participation through mitigating some of the adverse effects that came out of this first implementation.

**Christopher Sewell:**

Madam Chair and Committee, we are available for any questions you might have.

**Assemblyman Fumo:**

Is there a problem with the way things are run right now?

**Christopher Sewell:**

The main problem that we have with this bill now is because of the interpretation from the Office of the Attorney General, which basically says that an agency that gets the list has to hire that first individual on that list. That individual may or may not be a good fit in that agency. It is a two-way street. The agency also needs the ability to hire the best individual.

The individual also needs to be able to find a good agency to be able to work for, prosper in, and expand the diversity of that agency. So it is almost a two-way street. Right now, the agency does not have that option, and the individual does not have that option.

**Assemblyman Fumo:**

Is the list alphabetical, or is it the person who has been waiting the longest for a job? I would hate to be the last name starting with a Z if it is alphabetical.

**Christopher Sewell:**

I am not going to give you bad information. Our administrator, Shelley Hendren, is traveling from Las Vegas—I am sure all of us have been in the situation where the flight is delayed several hours. I will get that information on exactly how it is listed on the recruitment list that the agency provides, and I will get that for you first thing in the morning.

**Assemblywoman Torres:**

Thank you for bringing forth this piece of legislation. I want to have a better understanding. Essentially what does this bill do for our community who may be disabled?

**Christopher Sewell:**

Could you restate your question?

**Assemblywoman Torres:**

If we could have it broken down, I want to have an understanding of what this looks like for our community.

**Christopher Sewell:**

Currently how the system works is Vocational Rehabilitation vets candidates for the 700-hour program recruitment list through state human resources. That list is then sent to an agency. Let us say it is for an administrative assistant. That list is then sent to the agency for administrative assistants. Vocational Rehabilitation has vetted that individual and made sure that he or she is very qualified for that position. The list then goes to the agency. Let us say that there is one individual on that list. In this stage, the agency has to hire that individual. There is no interview process. For the individual going to that agency, there is no opportunity to make sure that is the agency he or she wants to work for. It is the same with the agency having to have that interview to see if the individual is a good match. They have to hire that individual with no questions asked.

If, for instance, it may not be a good fit, they could end up working 30 days and the agency says, It is not working—we did not really think it was going to work, and now we know—and terminates the individual. It does not help that individual. It is actually discouraging to that individual. That is the current situation. Let me give you some statistics from 2018. In calendar year 2018, 75 appointments were made off of this list; 28 were released. That is 37 percent. We want to reduce that percentage. We want to make sure these individuals have employment and keep their employment so that they are happy, the agency is happy, and you have a more diverse workforce. That is the purpose of this bill.

**Assemblywoman Torres:**

I have very real concerns that that would prevent these agencies from hiring these individuals who are disabled, and that these individuals would have a harder time. I understand the issue, the concern, and the want for us to ensure that these citizens have the ability to have gainful employment for a long period of time. I am not sure and am not completely convinced that this is the only solution to doing it. I think that this could result in a lot of individuals not being able to have this opportunity to be employed.

**Assemblyman Daly:**

I am not trying to make this last any longer than we need to. But when you certify someone with a disability for a position, it says in section 1, subsection 2 that they have to be certified by the Rehabilitation Division, placed on an appropriate list, and each person must possess the training and skills necessary for the position, and be able to perform—and I see you put in "with or without accommodation." So when you certify individuals, are you saying that they can work? Are you certifying for a certain position? And then you are saying that they end up on a list, and that agency has to take them even though they may not be able to meet section 1, subsection 2, paragraphs (a) and (b). So what is exactly happening there? We want people to be able to have the opportunity. We want agencies to get the right fit. I agree with you there.

**Christopher Sewell:**

We do want to make sure it is a right fit. When our Vocational Rehabilitation certifies an individual for the list, whether it is an administrative assistant, or it could be an accounting technician or something along those lines, part of that certification is making sure those individuals have the basic qualifications to meet that recruitment. If it is for, let us say, an accounting technician, they make sure that individual knows accounting, credits and debits, and things of that nature. The individual would meet the qualifications, the state qualifications, for that recruitment. If it is an administrative aide, to make sure the individual meets those basic requirements. In DETR, we use the 700-hour list. We have been very, very proud to use that list. We have actually hired an individual in our financial management unit. She has a disability. She is great. She is absolutely wonderful. She has a great attitude. Her job performance is outstanding. Our chief financial officer loves her. But that Vocational Rehabilitation counselor made sure that she was qualified for that job and qualified on that list. That is part of their job duties as a Vocational Rehabilitation counselor, to make sure that those individuals are not—Yeah, we think they can work, but the counselor makes sure the individual is qualified for those specific job duties and recruitments that the state has.

**Assemblyman Daly:**

I am trying to drill down. Earlier you said, Nope, the individual is on a list, and the agency has to take the next person on the list. You said that there was the Attorney General's opinion. So do you have multiple lists with different skills, accounting versus this versus the assistant versus whatever? That is what we are not getting. I guess you are not explaining it very well. Sorry, but people are not getting it. Do they have to take the next person on the list? I am not following.

**Tiffany Tyler-Garner:**

In hopes of bringing additional clarity, when an employment need is identified, the team will develop a list that comprises a thorough review of the technical skills an individual brings to the table. Per the law, the first step is that everyone must review that list, and the second step is that they must hire a person off that list. What we are asking to do is refine the second step. Yes, ensure that everyone reviews and considers for selection an individual from the list because we believe they have the solid technical skills. What we are finding is that with any employment, there are some of those other nuances that come up when the agency gets to physically meet with an individual and they both have the opportunity to determine whether it is a good match for both. Sight unseen, what has happened is that you have seen a 30 percent or so turnover as a result of what the agency thought to be a poor match after the 700 hours are exhausted or maybe 30 days into it. We are asking, What are the opportunities to at least allow for a little more assessment on both ends before the individual is forced into a placement?

Beyond that, we are asking, Can we align our language with the federal language around Americans with Disabilities Act? And can we, because the benefit piece is already taken care of, strike that language so that more state agencies are encouraged to participate in the program because they may be unclear about benefit?

I need to underscore, we are deeply committed to ensuring opportunities, including for this population. We are not asking that it be totally struck, but there be some consideration for an assessment that allows the individual to stay in the job because it is a strong fit for both parties. We are open to any opportunities for how we might refine that language to ensure that the next step is one that ensures sustainability for the participant.

**Assemblywoman Miller:**

I may have missed this because I had to leave the room for a few moments. I want to be clear as we are speaking of this. I have a two-part question. We are talking about temporary placement, correct? Because I see "not to exceed 700 hours." This is temporary, correct?

**Christopher Sewell:**

No, actually it is temporary in the very beginning up to 700 hours. Then the agency has the option to make that individual a permanent probationary employee. In state agencies, you have a one-year probationary period. After the 700 hours, the agency makes a decision to put this individual on permanent status under a probationary period. So it can start out as temporary, but then it moves to full-time employment going through the normal state human resource rules and regulations regarding a one-year probationary period, having your evaluation every three months, and things of that nature.

**Assemblywoman Miller:**

So during that time while individuals are on this 700-hour trial period, are they being paid the same amount as anyone else doing the same work within the state or those agencies?

**Christopher Sewell:**

Oh, yes. The individual is in a recruitment that an agency would normally have. They are hired at that agency at the pay rate that everyone else would be getting. The individual would go through the program just as you or I would go through the program. The only difference is, that first 700 hours is sort of like a trial period, not only for the agency, but for the individual. Then the individual would move into the probationary period if the agency considers it.

**Assemblywoman Miller:**

I would like to look at that as more of an extended probationary period for individuals. My question is in regard to what you spoke about, sometimes the person does not fit with the agency. We know that happens with every job, every person. We know that is a reality. I am hearing about a list and you mentioned the number of individuals who did not make that 700 hours or were not hired into full-time employment. What happens to them at that point?

**Christopher Sewell:**

They would go back onto another recruitment list that is provided, whether that recruitment list is for administrative assistant or an accounting technician. An individual could be on several different lists for several different recruitments just like a normal recruitment for a state agency. The individual could end up being on an Administrative Assistant I list, an Administrative Assistant II list, but after the 700 hours or during that 700-hour program, if the individual chooses that it is not a good fit, he or she would go back onto the list.

It is not an extended probationary period. The 700 hours actually is part of that one-year probation. It does not extend the probation. If the individual is offered that permanent probationary status, those 700 hours count toward that one year. So the individual is not being asked to do something more than any one of us would be asked to do.

**Assemblywoman Miller:**

When we are talking about the reasons that individuals do not fit, can you share some of those examples? My concern is that we are not hearing reasons why these individuals did not fit, and yet it may be partially due to some of the challenges or disabilities that they have and making sure that accommodations and ADA are followed. In the school district, we have individualized education programs to make sure that there are accommodations. We are federally and legally bound to ensure that those accommodations are granted and that there is no kind of consequence or negativity based solely on that individual's special needs, whether it comes to academics or behavior or anything. I want to make sure the same thing is with our adults, that we are not saying, That did not work out, that did not fit, and the reason it did not work out or did not fit was solely based on something a person could not control. We need to make sure that we are accommodating for those things to make sure that everyone has an even playing field here.

**Christopher Sewell:**

I am going to fall back on the Americans with Disabilities Act. If the agency does not provide that reasonable accommodation, it is in deep trouble as a state agency. Let me give



you an example. A state agency hired someone who had a vision disability—I do not want to really get into the details—and there were coworkers and supervisors saying, I do not know if this is the right fit because how is that individual going to do his or her job? The department made sure that there was a reasonable accommodation for that individual to do the job—a great fit. It changed a lot of individuals' attitudes and diversified that agency. So going back to your question of whether an agency would purposefully not follow the ADA—if it did not, it would really open up the state drastically, and I do not know of any agency that would even want to do that.

**Assemblywoman Miller:**

So would we be able to review some of those reasons why people quit or why it is not a great fit? Are there exit interviews? Is there something we could review to see why this fit is not working?

**Christopher Sewell:**

I will ask our administrator of our Rehabilitation Division to see what kind of information she can gather for the Committee and provide that information. If not, I am sure she would be more than happy to reach out to you and explain, as a general term, some of the issues that they may have seen through their counselors.

**Chair Jauregui:**

The current language says "not to exceed 700 hours." So that means the agency does not have to keep the hire on for 700 hours, correct? At any point the agency or the hire can terminate employment, correct?

**Christopher Sewell:**

Yes, that is my understanding.

**Chair Jauregui:**

So I do not understand why the change is needed if at any point the agency can terminate the hire if the individual is not a fit and then select someone new off the list. Why does the agency not use that practice?

**Christopher Sewell:**

The practice in the original intent of the bill from the 2017 Session was to be able to also interview those individuals to make sure they are a good fit. Right now the practice is a mandatory hire. That can cause a rub on either side. What we are trying to get back to is the original intent from the 2017 Session so that there can be an interview, so that we can go through and the individuals on the list can also see that the Department of Public Safety does not really fit in my wheelhouse, but you know what, DETR does or the Public Utilities Commission of Nevada does. That is the reason for the cleanup language in the bill and to make sure that there actually is a good fit. Yes, the agencies can make the decision not to keep the individual after 700 hours.

**Chair Jauregui:**

Committee, do you have any other questions? Seeing none, we will move to testimony in support. [There was none.] Is there anybody wishing to testify in opposition?

**Erik Jimenez, Chairman, Access Advisory Committee, City of Reno; and Member, Legislative Committee, Nevada Governor's Council on Developmental Disabilities:**

Just to be clear, I am not here on behalf of the Office of the State Treasurer; I am here as the Chairman of the Access Advisory Committee for the City of Reno, which strives to make the City of Reno the most accessible to people with disabilities, and also as a member of the Legislative Committee for the Governor's Council on Developmental Disabilities, which was instrumental in passing Assembly Bill 192 of the 79th Session.

I have some concerns with this bill, particularly in section 1 that makes this a voluntary program. I believe that while DETR is well-meaning in this, we have done some research on the minutes from former Assemblyman Sprinkle's testimony back in 2017. It seems to be that his intent was to make this a mandatory hiring program. I believe it is on page 10 of the minutes from the initial hearing [Assembly Committee on Government Affairs, February 27, 2017]. If you would like to look at that, I am happy to share it with the Committee. I think the idea that this is cleanup for something that was not in the original intent of the bill is a little misleading. I think it could have drastic unintended consequences for people with disabilities in Nevada.

As many of you know, people with disabilities in this state are two times more likely to be unemployed. They are two times more likely to be in poverty. I am of the opinion that just because you have a disability does not mean that you should be destined to a life of poverty and an inability to move up. The 700-hour program as it was established in A.B. 192 of the 79th Session was a tremendous step forward in this state taking the lead and making sure that these people have the opportunity to get trained for 700 hours and maintain competitive, full-pay employment with a state agency.

If we make this a voluntary program, why would a state agency use it? It is difficult. This is a challenging population of folks if they have to make a reasonable accommodation. The budget process is already difficult as it is. Where are agencies going to come up with extra money so they can do the things that they need to do and they should be doing? I think that to make this a voluntary program is a step in the wrong direction for people with disabilities.

With that being said, I think we could do something good with this bill if we wanted to. If we wanted to have a conversation on how we can strengthen the 700-hour program, I am more than willing to have that conversation. If we want to have a conversation on setting some goals for state employment for disability hiring initiatives, if we wanted to do that, I am more than willing to do that as well. But I do not think this is the right way to do that right now. With that, I am happy to answer any questions. Thank you for giving me the time.

**Assemblyman McCurdy:**

Thank you, Mr. Jimenez, for pointing out some of the concerns with the bill, and your opinion as to which direction we are going. I am interested to know concerning the 700 hours or up to 700 hours that people with disabilities are eligible to work, are they still under the subminimum wage class? If so, what would this step do to those individuals who are currently covered under the language of this bill?

**Erik Jimenez:**

We currently have 1,102 people, according to the U.S. Bureau of Labor Statistics, who are making below the minimum wage if they have a qualifying disability. When someone is on the 700-hour program and when they are in state employment, they would be required to make the minimum wage. My concern is based upon the stigmas around hiring people with disabilities. The way our minimum wage statute reads right now, if we took someone out of that environment where he or she was in a stable, good place—I think government is a really good place to work with benefits—would we potentially be putting that person back in a place where he or she is now forced to make below the minimum wage with an inability to move up? I do not know the answer to that, Assemblyman, but that would be my concern.

**Assemblywoman Torres:**

Thank you for your presentation. Can you explain a little bit as to what an individual must do so that he or she can be vetted? Because I imagine that not every individual with disabilities would qualify for this type of temporary work program. What does the vetting process look like?

**Erik Jimenez:**

I would defer to DETR for that. They can probably answer better than I can. But my understanding is that the individual would have to meet basic requirements. The 700-hour program is a commitment, so the individual would have the basic skills and the wherewithal to complete that program. I think that if someone is willing to be on the list and do that 700 hours, we as a state should be committed to hiring them, right? An agency should follow that commitment as well, not make it a voluntary process.

**Assemblyman McCurdy:**

I, too, am a little bit thrown off by the language in the bill because it was not said why this is actually needed and what the issues are that are currently going on in this phase. It gives me a little bit of pause about taking this step in the opposite direction. Now, I am wondering, is your concern one of if this were to happen, we do roll this back, and it be optional, we will not have folks with disabilities eligible, or even considered, as a part of this program? Is that where we are, just so that I can get an understanding that this is where we are going?

**Erik Jimenez:**

Yes. Just so we clarify for the record, my concern is that because hiring this population of folks voluntarily is a much more difficult process, the agency has to be committed to doing that process. If an agency is not required to do it—from someone who works in an agency—we are probably not going to do it. That breaks my heart, because I think if we can

have a guaranteed number of slots in state employment for someone with a disability to get that next step ahead and move up, why would we undo that? I think it is not that they would not be trained; I am worried that they would not be considered at all.

**Chair Jauregui:**

Is there anyone else here in opposition? [There was no one.] Is there anyone here in neutral? [There was no one.] I would like to invite DETR back up to answer Assemblywoman Torres' question. Assemblywoman Torres, did you want them to answer that for you?

**Assemblywoman Torres:**

Again, my question is, What does that vetting process look like for an individual who is going to be a part of this program?

**Christopher Sewell:**

Again, I am not in the middle of that process. I can ask the administrator. She really was very disappointed in not being able to get on that flight and get up here. But I can get that information for you in how the counselors do the vetting and things of that nature. That is no problem at all.

**Chair Jauregui:**

If you would. It looks as if there were a couple of outstanding pieces of information you needed to get from the administrator. If you would share them with me or our committee manager, we will make sure to distribute them to the entire Committee.

**Christopher Sewell:**

Yes, we will. Just as a clarifying comment, we are not taking away the mandatory aspect of this program. The agencies are still going to have to use these lists. What we are asking for is the ability of the individual and the agencies to have that interview and go through the process. We will get that information to you. I want to ask our director if she has any other comments.

**Tiffany Tyler-Garner:**

I want to affirm our commitment to opportunities. If we can refine the process to ensure there are opportunities that are sustainable, we want to partner with you in doing that. If there are some thoughts or language that you could support around ensuring that individuals have the opportunity to feel out whether or not that is the place that they want to be placed, and vice versa, we are willing to partner in that way. We are in the situation where right now, based on their name being on that list, we force them into an agency. We are saying that if there is an opportunity to at least give both parties involved in the process some opportunity to assess whether or not that is the right match for them, we want to do that. But it is not our intent to reduce opportunities. We are committed to affirming them. That is why you see that the third conceptual request is the one around benefits because we had agencies saying that they would like to place folks with their department, but they do not want to be perceived as violating this notion of somehow benefiting from it because those

individuals are working for the agency. So we really are about how we can expand and sustain the effort. We just want folks to have the benefit of evaluating it, so that it is a good decision for all involved.

Also, I fully appreciate your concerns around the ways in which bias shows up in workplaces in the employment process. We recognize that and fully support the program from that perspective, overcoming some of those challenges, but believe there is an opportunity to hear the voice of the participants—even if it is just, Hey, I got a chance to meet with them before they sent me over to work at that place, as well as hear from the other side of the equation, the employer, concerning what is a strong match. We welcome the opportunity to find a way that ensures that they have voice in the process. Thank you for your consideration tonight.

**Chair Jauregui:**

With that, I will close the hearing on Senate Bill 50 (1st Reprint). [Answers to questions asked by the Committee are in ([Exhibit J](#)), submitted by Christopher Sewell, Chief of Operations, Legislative Liaison, Department of Employment, Training and Rehabilitation.]

The last item on the agenda is public comment. Is there anyone who wishes to give public comment? Seeing no one, Committee, thank you so much. I will see you on Tuesday. Our meeting is adjourned [at 7:20 p.m.].

RESPECTFULLY SUBMITTED:

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Catherine Bodenstein  
Committee Secretary

APPROVED BY:

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Assemblywoman Sandra Jauregui, Chair

DATE: \_\_\_\_\_

## EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a document titled "Hydrogen Infrastructure Testing and Research Facility," by National Renewable Energy Laboratory, submitted by Senator Pat Spearman, Senate District No. 1.

[Exhibit D](#) is a document titled "National Fuel Cell Technology Evaluation Center," by National Renewable Energy Laboratory, submitted by Senator Pat Spearman, Senate District No. 1.

[Exhibit E](#) is a letter in support of Senate Concurrent Resolution 3 (1st Reprint), submitted by Reno Sparks Chamber of Commerce.

[Exhibit F](#) is a letter in support of Senate Concurrent Resolution 3 (1st Reprint), dated May 23, 2019, submitted by Brian Beffort, Director, Toiyabe Chapter, Sierra Club.

[Exhibit G](#) is written testimony in support of Senate Concurrent Resolution 3 (1st Reprint), submitted by Russell Rowe, Rowe Law Group, on behalf of Tesla.

[Exhibit H](#) is a document titled "State of Nevada Bureau Vocational Rehabilitation (VR) and Department of Human Resource Management (DHRM) 700 Hour Program for People with Disabilities," submitted by Christopher Sewell, Chief of Operations, Legislative Liaison, Department of Employment, Training and Rehabilitation, in regard to Senate Bill 50 (1st Reprint).

[Exhibit I](#) is written testimony in support of Senate Bill 50 (1st Reprint), submitted by Shelley Hendren, Administrator, Rehabilitation Division, Department of Employment, Training and Rehabilitation.

[Exhibit J](#) is a document containing answers to questions posed by the Assembly Committee on Legislative Operations and Elections regarding Senate Bill 50 (1st Reprint), dated May 27, 2019, submitted by Christopher Sewell, Chief of Operations, Legislative Liaison, Department of Employment, Training and Rehabilitation.